

City Of Cincinnati Retirement System Board of Trustees Meeting

Minutes

March 6, 2008 / 2PM
Committee Room B

The Chairperson confirmed a quorum and called the meeting to order: 2:05 PM

Present:

Marijane Klug, Chair
Dave Rager, Vice Chair
Jason Barron
Donald Beets
Michael Fehn
Gina Marsh
Brian Pickering
Michael Rachford
V. Daniel Radford
James Robinson
John Walsh
John Cranley

Staff present: John Boudinot, Keith Giles,
Cheryl Volk - Recorder

FEBRUARY 7, 2008 BOARD MINUTES *Attachment A*

Motion made by D. Rager and seconded by M. Fehn to approve the minutes as submitted. Motion was carried by the Board.

BENEFITS COMMITTEE REPORT *Attachment B*

M. Rachford provided the following report:

- Minutes: January 31, 2008
- Minutes: February 7, 2008
- Benefits Committee will now meet twice a month to provide more time to address pending issues. The committee announced an opening for an additional member on the committee. Adding another member would help meet the needs of the Benefits Committee. Those who are interested should contact the Board Chair.
- Service Purchase Appeal – Mike Perkins: Finding of Facts and Conclusions of Law was tabled until Mr. Perkins' attorney could be present at next Benefits Committee, March 27, 2008.

Board Action

Motion made by D. Rager and seconded by M. Fehn to approve the Benefits Committee report. The motion was carried by the Board.

SECRETARY'S REPORT *Attachment C*

J. Walsh provided the following report.

Asset Valuation

December 31, 2007	\$2.69	Billion
January 31, 2008	\$2.55	Billion
YTD Increase (Decrease)	--5.02%	

	12/31/07	1/31/08		
Current Asset Allocation	Actual	Actual	Target	Pending Allocations
Domestic Equity	52.9%	49.3%	43.5%	
International Equity	17.6%	18.1%	17.0%	
Fixed Income	28.1%	23.3%	17.0%	
Private Equity	0.7%	2.0%	5.0%	
Real Estate	0.0%	5.2%	7.5%	\$22.5 Million
Infrastructure	0.0%	0.0%	5.0%	
Long / Short Equity	0.0%	0.0%	5.0%	\$100 Million
Treasury Cash	0.7%	2.1%	0.0%	
	100.0%	100.0%	100.0%	

Asset Reallocations:

- \$32.5 million from Montag & Caldwell to ABS Investment Management
- \$1.5 million from Montag & Caldwell to Piper Jaffrey Private Capital
- \$67.5 million from Montag & Caldwell to Common Sense
- \$22.5 million from Black Rock Financial Management to Principle Real Estate Investors
- \$1.7 million from Allegiant Asset Management to Fort Washington Capital Partners.

Reallocations Summarized:

Over \$100 million of U.S. equities into long-short equity
 \$22 million into real-estate
 \$3 million into private equity

Board Action

M. Rachford made a motion to accept the Secretary's report. Motion was seconded by M. Fehn and motion was carried by the Board.

CRS ACTIVITY *Attachment D*

- | | |
|---|-------------------------|
| 1. Application for Ordinary Retirement February 2008: | Total: 2 |
| 2. Application for Deferred Retirement: | Total: 0 |
| 3. Resolution for Enrollment of New Members: | Total: 23 |
| 4. Resolution for Return of Contribution Death Benefit: | Total: \$165,457.23 |
| 5. Resolution for Loans to Members: | 9 members: \$151,787.50 |
| 6. Resolution of Military Service Credit Prior to Membership: | 0 |
| 7. Operating Expenses: | \$26,069.10 |

GOVERNANCE COMMITTEE *Attachment E*

D. Rager provided the Governance Committee report and submitted the minutes for approval.

Board Action

B. Pickering made motion to approve the report as submitted. J. Walsh seconded and the motion was carried by the Board.

ELECTION COMMITTEE *Attachment F*

- Election Committee minutes: 3/5/08
- D. Beets reported on the Election Committee's recommended changes to the election process and the rules governing employee and retiree elections:
 - Employee election: change the election *close-date* from first Tuesday to first Monday.
 - Count of ballots changed from 1st day following close of voting to 2nd day.
 - Retiree election: Nomination Notice change to "Monday prior to the fourth Tuesday" rather than "first Monday".
 - Count of ballots changed from 1st day following close of voting to 2nd day.

Board Action

D. Beets made a motion to approve the Election Committee minutes and the changes to the employee election process. M. Rachford seconded the motion and the motion was carried by the Board.

D. Beets made a motion to approve the changes to the retiree election process. M. Fehn seconded the motion and the motion was carried by the Board.

NEW BUSINESS

- D. Beets requested a business credit card be provided to trustees for business travel and continuing education.
D. Rager recommended that Jack Walsh look into the feasibility of issuing Purchasing Cards to trustees. The request was tabled until J. Walsh reports to the April Board.
- Discussion of Task Force established to make recommendations to City Council to insure the long-term solvency of the Cincinnati Retirement System. Discussion resulted in the following recommendations:
 - Names of Task Force members be forwarded to the Board of Trustees
 - Future Board agendas and Board meetings will include Task Force Reports
 - Task Force schedule to be made public
 - City Council's Resolution to be made public

M. Rachford made motion to adjourn Board Meeting, seconded by D. Rager. Motion was carried by the Board and the meeting was adjourned: 2:45PM

Next meeting: 4/3/08